

Department of Housing and Community Development

ANNUAL HOUSING ELEMENT PROGRESS REPORT

Housing Policy Department
Received on:

APR 02 2013

City or County Name: City of Palm Desert

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Reporting Period by Calendar Year: from January 1, 2012 to December 31, 2012

These forms and tables, (see sample – next page) must be submitted to HCD and the Governor's Office of Planning and Research (OPR) on or before April 1, of each year for the prior calendar year; submit separate reports directly to both HCD and OPR (Government Code Section 65400) at the addresses listed below:

Department of Housing and Community Development

Division of Housing Policy Development

P.O. Box 952053

Sacramento, CA 94252-2053

-and-

Governor's Office of Planning and Research

P.O. Box 3044

Sacramento, CA 95812-3044

ANNUAL ELEMENT PROGRESS REPORT

Housing Element Implementation

(CCR Title 25 §6202)

Jurisdiction	City of Palm Desert
Reporting Period	1/1/2012 - 12/31/2012

Table A

Annual Building Activity Report Summary - New Construction
Very Low-, Low-, and Mixed-Income Multifamily Projects

Housing Development Information										Housing with Financial Assistance and/or Deed Restrictions		Housing without Financial Assistance or Deed Restrictions
1	2	3	4				5	5a	6	7	8	
Project Identifier (may be APN No., project name or address)	Unit Category	Tenure R=Renter O=Owner	Affordability by Household Incomes				Total Units per Project	Est. # Infill Units*	Assistance Programs for Each Development	Deed Restricted Units	Note below the number of units determined to be affordable without financial or deed restrictions and attach an explanation how the jurisdiction determined the units were affordable. Refer to instructions.	
			Very Low-Income	Low-Income	Moderate-Income	Above Moderate-Income			See Instructions	See Instructions		
None	None	None	0	0								
(9) Total of Moderate and Above Moderate from Table A3					0	184	184					
(10) Total by income Table A/A3						184	184					
(11) Total Extremely Low-Income Units*												

* Note: These fields are voluntary

ANNUAL ELEMENT PROGRESS REPORT

Housing Element Implementation

(CCR Title 25 §6202)

Jurisdiction City of Palm Desert
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Table A2
Annual Building Activity Report Summary - Units Rehabilitated, Preserved and Acquired pursuant to GC Section 65583.1(c)(1)

Please note: Units may only be credited to the table below when a jurisdiction has included a program it is housing element to rehabilitate, preserve or acquire units to accommodate a portion of its RHNA which meet the specific criteria as outlined in GC Section 65583.1(c)(1)

Activity Type	Affordability by Household Incomes				(4) The Description should adequately document how each unit complies with subsection (c)(7) of Government Code Section 65583.1
	Extremely Low+ Income*	Very Low- Income	Low- Income	TOTAL UNITS	
(1) Rehabilitation Activity				0	
(2) Preservation of Units At-Risk				0	
(3) Acquisition of Units				0	
(5) Total Units by Income	0	0	0	0	

* Note: This field is voluntary

Table A3
Annual building Activity Report Summary for Above Moderate-Income Units (not including those units reported on Table A)

	1. Single Family	2. 2 - 4 Units	3. 5+ Units	4. Second Unit	5. Mobile Homes	6. Total	7. Number of Infill units*
No. of Units Permitted for Moderate						0	
No. of Units Permitted for Above Moderate	100	84				184	100

* Note: This field is voluntary

ANNUAL ELEMENT PROGRESS REPORT

Housing Element Implementation

(CCR Title 25 §6202)

Jurisdiction City of Palm Desert
Reporting Period 1/1/2012 - 12/31/2012

Table B

Regional Housing Needs Allocation Progress

Permitted Units Issued by Affordability

Enter Calendar Year starting with the first year of the RHNA allocation period. See Example.		2006	2007	2008	2009	2010	2011	2012	2013	2014	Total Units to Date (all years)	Total Remaining RHNA by Income Level
Income Level	RHNA Allocation by Income Level	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9		
Very Low	Deed	4									4	1,087
	Restricted Non-deed restricted	11			3						14	
Low	Deed			13							13	732
	Restricted Non-deed restricted		14								14	
Moderate	Deed		17	59							76	722
	Restricted Non-deed restricted					25	24				49	
Above Moderate			125	137	128	190	94	184			868	1,017
Total RHNA by COG. Enter allocation number:		15	156	209	131	215	118	184			1,028	3,558
Total Units												
Remaining Need for RHNA Period												

Note: units serving extremely low-income households are included in the very low-income permitted units totals.

ANNUAL ELEMENT PROGRESS REPORT

Housing Element Implementation

Jurisdiction	City of Palm Desert
Reporting Period	1/1/2012 - 12/31/2012

Table C
Program Implementation

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Table C

Program Implementation Status

The most recent Housing Element Update was adopted by the City Council on May 12, 2011. The City of Palm Desert along with the Palm Desert Redevelopment Agency has worked aggressively to implement the goals, policies, and programs. The following summarizes each program related to affordable housing, along with its adopted schedule, its status as of December 2012, and progress made towards implementation.

Program 1.1A

The Agency shall implement the following affordable housing projects for extremely low, very low, low and moderate income households during the planning period:

31 units at Canterra Phase II

21 units at Emerald Brook

200 units at Dinah Shore and Portola

72 units at Carlos Ortega Apartments

16 units at Sagecrest Apartments

Carlos Ortega Villas was approved by the City Council on March 22, 2012. The project consists of 72-units. The original sixty-six (66) units were acquired in September 2005. The property was evaluated in its then current condition for potential renovation or reconstruction. It was determined that the existing condition of the property did not provide the best use and the property had several sub-standard conditions that posed potential health and safety concerns, including structural integrity and inadequate drainage due to the differences in elevation from the buildings to the street. The evaluation of the property concluded with a recommendation to deconstruct and reconstruct. The Agency has completed the deconstruction of the buildings on the property and intends to develop a 72 unit affordable senior rental complex.

16 units at Sagecrest Apartments - The Agency acquired Sagecrest Apartments, a multi-family complex, and an adjacent single family dwelling to uphold its primary goal of providing decent, safe, sanitary affordable housing as well as to preserve and improve the existing older neighborhoods in the City of Palm Desert. During the previous fiscal year, a relocation plan was approved and implemented and the property was deconstructed. In keeping with this goal, the Agency is in the preliminary stages of working with an architect to develop a yield study and site utilization plan for the adjoining properties.

The Emerald Brook project, Phase II of Canterra, and the proposed development of 200 units at Dinah Shore and Portola are stalled due to current economic conditions.

*Responsibility of: Redevelopment Agency
Schedule: 2010-2014*

Program 1.B

The Agency shall pursue the planning and implementation of the following projects for extremely low, very low, low and moderate income households during the planning period:

520 units that will include single family for-sale and multi-family for rent units at Gerald Ford Drive and Portola.

This project is stalled due to prevailing economic conditions.

*Responsibility of: Redevelopment Agency
Schedule: 2010-2014*

Program 1.C

The City shall encourage and facilitate the development by private parties of the following projects for extremely low, very low, low and moderate income units:

432 units at Key Largo.

Approximately 302 units at Dinah Shore and 35th Avenue (southeast corner).

City staff has had a series of meetings with the property owner for the Key Largo project, but at this time a project has not been submitted.

City staff has had a series of meetings with the property owner for the 302 unit project to discuss site planning for this project. However, no architectural design or construction has commenced due to prevailing economic conditions.

*Responsibility of: Redevelopment Agency
Schedule: 2010-2014*

Program 1.D

The Agency shall continue to implement the Self Help Housing program, and shall identify 15 households to be assisted by the program in this planning period.

The Palm Desert Redevelopment Agency ("Agency") conducted a Request For Proposal (RFP) for the Merle Street Self-Help Project in July 2009. The Agency offered the 14 lots to developers and non-profits with experience in self-help programs to stick-build homes utilizing 'sweat equity' of qualified low income homebuyers. The Agency's upfront investment was to be the donation value of the lots. There were no responses to the RFP. Staff believes that the lack of response was more related to the lack of funding options available at the time (i.e., federal and state tax credits). Currently, the Agency has an inventory of homes that have been repurchased to preserve their affordability in an adjoining neighborhood and the viability of additional homes (self-help) in the neighborhood would be a challenge at best. The Agency's waitlist for affordable homes has diminished over the last several years with the economy allowing for market rate homes sales to households with incomes that once only qualified for homes with subsidies. Staff will be looking at revisions that could make the project more feasible and will request authorization to go out to RFP with the revised conditions at a sometime in the future when the project appears feasible.

The Agency will continue to work with agencies such as Habitat for Humanity and Coachella Valley Housing Coalition to identify additional properties where self-help units may be implemented.

The Agency is in the process of donating two vacant lots to Habitat for Humanity of the Coachella Valley, Inc. to build single-family dwelling units in connection with a vocational program with College of the Desert. The new homes will be energy efficient and include sustainable construction techniques. The homes will be purchased by very low-income families.

Responsibility of: Redevelopment Agency

Schedule: 2010-2014

Program 1.E

The City shall maintain its inventory of sites zoned for PR-7 and R-3, and shall encourage the incorporation of extremely low, very low, low and moderate income housing units into these projects as they are brought forward.

The City has maintained its inventory of PR-7 and R-3 sites. No properties in these zones have been rezoned to permit other uses.

Responsibility of: Planning Department

Schedule: Ongoing as project applications are submitted

Program 1.F

In order to assure that sufficient lands are available for affordable housing projects described in Programs 1.A and 1.B, the City shall undertake or shall process private party Changes of Zone on the following parcels to provide zoning that is consistent with the General Plan and supportive of residential uses. Where necessary, General Plan amendments will also be undertaken.

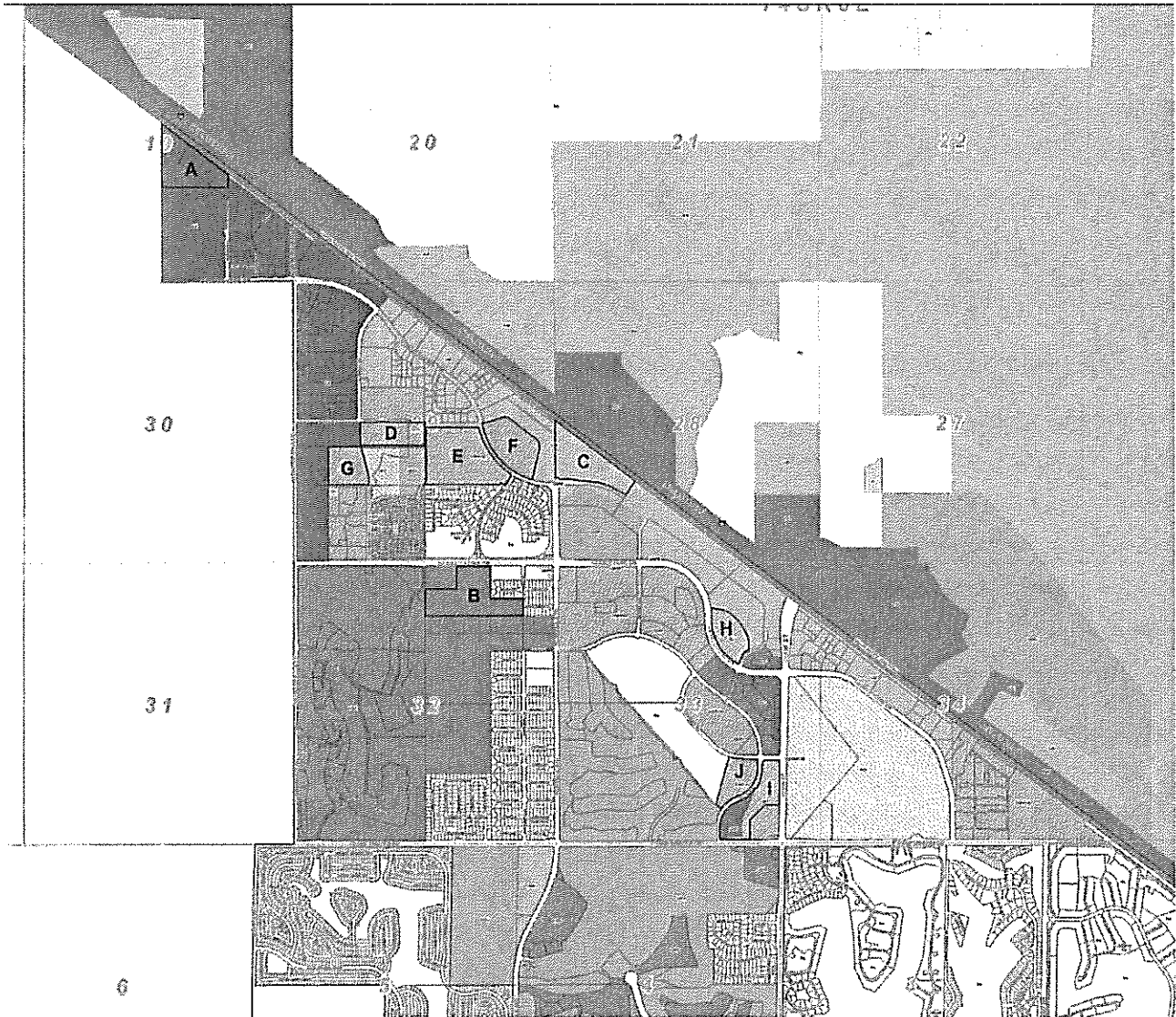
The table below lists the 22 parcels that require rezones in order to meet the requirements of law. The table lists the parcels by Assessor's Parcel Number, size of each parcel, potential number of units that could be developed on the parcel, current zoning, and proposed zoning. Also, the requirement for the changes of zone is provided in the policies and programs of the updated Housing Element. With the completion of the changes of zone provided in the Housing Element, the City will have sufficient land to accommodate its RHNA requirements for the planning period.

Assessor's Parcel No.	Size (Acres)	Potential Units	Current Zoning	Proposed Zoning
685-010-005 (A)*	30	432	Planned Commercial (PC 3)	Planned Community Development (PCD)
694-310-001, 005 (B)*	38.5	520	Planned Residential (PR-5)	Planned Residential (PR-22)
694-120-012 (C)*	10	200	Planned Community Development (PCD)	Planned Residential (PR 22)
694-130-017 (D)*	10.21	176	Planned Community Development (PCD)	Planned Residential (PR 22)
694-130-018 (D)*	3.48	72	Planned Community Development (PCD)	Planned Residential (PR 22)
694-130-012 (E)*	33.71	235	Service Industrial-SI	Planned Residential (PR 22)

694-130-003 (F)*	18.92	302	Service Industrial-SI	Planned Residential (PR 22)
694-130-021 (G*)	13	200	Planned Community Development (PCD)	Planned Residential (PR 22)
694-190-059 (H)*	15 of 29.36	160	Planned Community Development (PCD)	Planned Residential (PR 22)
694-200-014 (J)*	11.46	194	Planned Residential (PR 5) and Planned Community Development (PCD)	Planned Residential (PR 22)
627-101-033 627-101-038 627-101-039 627-101-002 627-101-017	1.64	22	Office Professional (O.P.)	Residential Multiple Family (R-3)
627-041-010 627-041-011 627-041-012 627-041-013 627-041-029 627-041-031 627-041-032 627-041-033	1.20	19	Office Professional (O.P.)	Residential Multiple Family (R-3)

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**The letters in () after each APN correlate with the map on the next page.*



Responsible of: Planning Department
Schedule: 2011

Program 1.G

The City will encourage further land divisions resulting in parcel sizes that facilitate multifamily development affordable to lower income households in light of state, federal and local financing programs (i.e. 50-100 units) as development proposals are brought forward. The City will also, as part of the rezoning process or other outreach by 2012, meet with property owners to discuss incentives available for land divisions (e.g., 2-5 acres) encouraging the development of housing affordable to lower income households. The City will offer incentives for land division encouraging the development of affordable housing including, but not limited to:

Priority to processing subdivision maps that include affordable housing units,

Expedited review for the subdivision of larger sites into buildable lots where the development application can be found consistent with the Specific Plan,

Financial assistance (based on availability of federal, state, local foundations, and private housing funds).

The City continues to meet with developers regarding affordable housing, but has not taken in a project at this time due to prevailing economic conditions.

*Responsible of: Planning Department
Schedule: Outreach by 2012, and 2011-2014*

Program 2.B

The Agency shall annually fund the Single Family Rehabilitation Program and Housing Improvement Program, for 20 households each year.

The Agency continues to operate several home improvement programs which include grants and low interest loans. Grants vary in amount from \$5,000 to \$20,000 depending on household income and type of improvement. Loans are available up to \$45,000 depending on household income and type of improvement. Types of improvements range from emergencies, lead and asbestos abatement, and energy efficiency upgrades as well as overall home improvement for health and safety issues. The Agency also maintains a Matching Fund grant program, which matches up to \$5,000 for eligible very low, low and moderate income households. No applicant has been denied due to lack of funding. During FY 2010/2011 there were a total of 37 applicants/participants that applied and/or participated in the program.

*Responsibility of: Redevelopment Agency, Senior Center
Schedule: 2009-2010, Ongoing*

Program 2.C

The Agency shall pursue and utilize Neighborhood Stabilization Program (NSP) funding to the greatest extent possible, and shall use that funding to assist homeowners in the purchase and rehabilitation of blighted single family homes for up to four homes per NSP funding cycle.

As part of a joint application with the cities of Palm Springs, Coachella and the County of Riverside, Palm Desert has submitted the required paperwork for the NSP monies for the purpose of assisting income qualified buyers to purchase properties that have been foreclosed on. The Agency has acquired two single family homes and is in the process of rehabilitation prior to the sale to a lower income household.

*Responsibility of: Redevelopment Agency
Schedule: 2009-2014*

Program 3.A

The Agency shall continue to subsidize existing affordable housing units in the City, including apartment units it owns now and in the future.

The Palm Desert Redevelopment Agency currently owns approximately 1,111 units that are being subsidized. The City continues to evaluate properties.

*Responsibility of: Redevelopment Agency
Schedule: Ongoing*

Program 3.B

The Agency shall maintain the existing resale restrictions and other subsidies on its 303 ownership units.

The Palm Desert Redevelopment Agency ("Agency") resale communities of Desert Rose and Falcon Crest continue to be 100% affordable development projects with income and affordability restrictions in place as they have been since construction. There are 161 homes in the Desert Rose project, 24 of which are owned by very low income households, 108 by low income households, and 29 by moderate income households. Within the Falcon Crest homes there are 93 homes, 13 of which are owned by low income households and 80 by moderate income households. The Agency intends to maintain the affordability of this ownership projects through the next planning period and beyond.

Responsibility of: Redevelopment Agency

Schedule: Ongoing

Program 3.C

The Agency shall maintain ownership of its 1,111 existing rental housing units in order to assure long term affordability for these projects.

The Agency still maintains ownership of its 1,111 units since the beginning of the previous planning period, and will take the opportunity when possible to purchased or construct additional units. See Program 3.A., above.

*Responsible Agency: Redevelopment Agency
Schedule: Ongoing*

Program 3.E

The City shall encourage the preservation of existing mobile home parks by non-profit agencies or organizations, in order to preserve their affordability. The City will directly contact CVHC, DACE and others should a mobile home park be put up for sale, and assist through permit streamlining in its sale, if possible.

The City has not acquired mobile home parks through this program, nor have third party organizations done so during the 2010/2011 fiscal period.

The Palm Desert Redevelopment Agency has implemented a mobile home improvement program as part of its Home Improvement Program as well as an ongoing code compliance program to assure that the quality of life within mobile home parks is maintained.

*Responsible Agency: Redevelopment Agency, City Manager's Office
Schedule: Ongoing*

Program 3.F.

The Agency shall coordinate between affordable housing developers and social service agencies when new projects are developed to encourage the integration of services such as child care, job training, vocational education, and similar programs into new affordable housing projects through direct contact with both parties. For on-site child care, the Agency shall consider allocation of the City's Childcare Mitigation Fee to new projects which provide the service.

At this time a new project has not be submitted for review due to prevailing economic conditions.

*Responsible Agency: Redevelopment Agency, City Manager's
Office, Community Development Department
Schedule: Ongoing*

Program 4.A

The City shall continue to enforce the provisions of the Federal Fair Housing Act. The City shall continue its referral program to the County Fair Housing Office, and shall maintain information at City Hall and the Agency's affordable housing complexes.

The City maintains literature at City Hall relating to tenant rights and other Fair Housing Act issues as well as at each of the Agency's rental properties. The Redevelopment Agency also refers complaints to the Fair Housing Council of Riverside County.

The City on a bi-annual basis contracts the Fair Housing Council of Riverside County to conduct workshops, seminars to Residents, Managers and Landlords on resolution of landlord/tenant disputes, anti-discrimination and education/outreach services.

*Responsible Agency: Redevelopment Agency and City Manager's Office
Schedule: Ongoing*

Program 4.B

The City shall work with the Senior Center and other appropriate agencies in assisting whenever possible in the housing of disabled residents, through participation by the Redevelopment Agency.

The Redevelopment Agency accommodates the Americans with Disabilities Act (ADA) in all its projects, and provides for ADA accessible or adaptable units in its new projects. In addition, privately developed projects are required to meet current ADA standards.

During the past fiscal year, the Agency had 91 handicapped tenants residing in its properties.

*Responsible Agency: Redevelopment Agency, Senior Center
Schedule: Ongoing*

Program 4.C

The City shall meet with non-profit developers and other stakeholders annually, beginning in 2011, to establish and implement a strategy to continue to provide housing affordable to extremely low-income households. The City shall also consider prioritizing local financial resources and applying for State and federal funding specifically targeted for the development of housing affordable to extremely low-income households, such as CDBG, HOME, Local Housing Trust Fund program and Proposition 1-C funds. The City shall continue to consider incentives, such as increased densities, modifications to development standards, priority processing and fee deferrals as part of the financing package for projects which include extremely low income units.

At this time, the City does not have a project to review this program due to prevailing economic conditions.

Responsible Agency:

Redevelopment Agency

Schedule:

2011, annually thereafter

Program 5.A

The City shall continue to work with CVAG on a regional solution for homelessness, including the Multi-Service Center in North Palm Springs, and the beds and services it will provide.

A number of organizations provide services to the homeless throughout the Coachella Valley. The City is a participant in the Coachella Valley Association of Governments' (CVAG) Homelessness Strategic Plan, which established a regional shelter for 125 homeless persons. The shelter's purpose is to provide a central location for service providers to assist with transportation, health care, mental health services, child care, and other social services. The Strategic Plan also included goals to establish 225 emergency shelter beds (doubling the current size), 225 transitional housing units, 200 supportive housing units and 200 rental units in the western Coachella Valley by 2012.

The Riverside County Department of Public Social Services completed a homeless count in 2011 for all cities in the County. That effort identified 72 homeless persons in Palm Desert.

Shelter From the Storm continues to operate battered women's shelters in several cities in the Valley, with operation of a transitional facility in the City which provides 20 two-bedroom units for women and their children.

Responsible Agency: City Manager's Office, City Council
Schedule: 2008-2014

Program 5.B

The City shall amend the Zoning Ordinance as follows:

- a. Allow emergency shelters by right in the industrial zone and only subject to the same development and management standards that apply to other allowed uses within the Industrial Zone. Approval shall be through a non-discretionary design review process.
- b. Transitional and supportive housing shall be subject to only those restrictions that apply to other residential uses of the same type in the same zone.
- c. Define Single Room Occupancy facilities.
- d. Amend the definition of "Family" to be consistent with current federal standards.
- e. Allow group homes of 7 or more in the R-1 and R-2 zones, in addition to the R-3 zone.
- f. Allow Single Room Occupancy facilities in the Industrial zone, subject to approval of a conditional use permit.

The Zoning Ordinance shall be clarified to state that handicapped ramps are permitted in the front, side or rear yard setback of any residential structure. A reasonable accommodation procedure shall be established to provide exception in zoning and land use for persons with disabilities.

This program will be updated in the City's Zoning Ordinance Amendments, which will take place at the end of the 2012 year.

Responsible Agency: Community Development Department
Schedule: 2011

Program 5.C

The City shall encourage local organizations, such as the Coachella Valley Rescue Mission, Martha's Village Kitchen and Catholic Charities, to apply to the City for the assignment of CDBG funds for homeless services.

The City annually receives requests from a number of organizations for assistance through the CDBG program. In the 2011/2012 CDBG program cycle, the City was awarded \$319,647.00 in CDBG funds. This amount was divided between fourteen recipients. The City awarded CDBG funds to organizations that provide a food distribution program such as Martha's Village Kitchen, Desert AIDS Project and FISH of the Lower for homeless programs.

Responsible Agency: City Manager's Office
Schedule: 2003-04

Program 6.A

The City shall keep in regular contact with the Riverside County Housing Authority to ensure that Section 8 housing assistance within the City is actively pursued. At least 30 households should be assisted every year.

The number of Section 8 assisted households varies from year to year in the City, but Riverside County identified about 98 annually. In 2010/2011 fiscal year, approximately 26 Section 8 households resided in the Palm Desert Redevelopment Agency owned properties. This program is ongoing.

Responsible Agency: Redevelopment Agency
Schedule: Ongoing

Program 9.A

The City shall maintain the Senior Housing Overlay District (S.O.D.) and the Second Unit Housing standards in the Zoning Ordinance.

The City Council did not consider any projects during the 2010 year that provided incentives for the development of specialized housing designed and restricted to residents over the age of fifty-five.

The City's development standards continue to include the Senior Overlay District and Second Unit Senior Housing standards in its Zoning Ordinance to expanding senior housing opportunities providing complete independent living.

Responsible Agency: Community Development Department
Schedule: Ongoing